

WORKFORCE OBSERVATIONS

FOR SOUTH CENTRAL WISCONSIN COUNTIES

July 2002



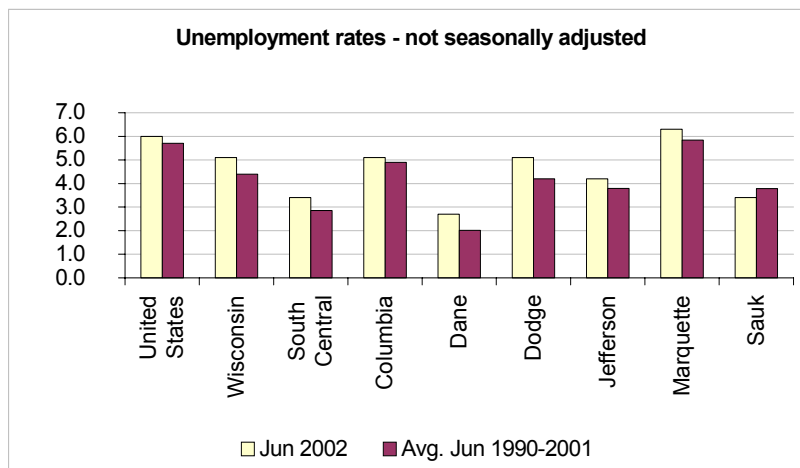
Note: Starting in September, advance copies of this publication will be available via email. Anyone wishing to receive an advance copy should email Dan.Barroilhet@dwd.state.wi.us.

They say the recession is over, but has the recovery begun?

In June, the U.S. unemployment rate rose half a percent, to 6.0%, Wisconsin's rate climbed six-tenths of a percent to 5.1%, the South Central region's rate edged up four tenths of a percent to 3.4% and Dane County (the Madison Metropolitan Statistical Area) also saw its rate increase half a percent to 2.7%.

Much, perhaps most, of the unemployment increase can be attributed to typical seasonal trends. In June, schools and colleges released students who had not been in the labor force and workers whose jobs do not continue through the summer. Dane County, which has the largest concentration of school and college workers and students, experienced the biggest unemployment rate increase in the region, despite growing numbers of jobs and employed residents. By July, many of these workers typically find jobs and the unem-

ployment rate edges downward until August or September. To some extent, the unusual dip in May's labor force might reflect people who were not working or seeking work until June, in which case some might expect below-trend labor force numbers in May to increase the likelihood of above-trend figures in June.



The region's manufacturing employment remains below 1999 levels. The June increase is unimpressive compared to the June gains of the booming mid-1990s. Manufacturing workers and employers hope that there is more recovery ahead of them than behind them. Nonetheless, the upward bounce in

manufacturing employment is welcome in Dodge County, where the manufacturing downturn hit particularly hard. It is the only county in the region that saw a smaller increase in June's unemployment usual.

Labor force estimates - not seasonally adjusted

| June 2002 Estimates | Wisconsin | South Central WI | Madison MSA | Columbia County | Dodge County | Jefferson County | Marquette County | Sauk County |
|------------------------------|-----------|------------------|-------------|-----------------|--------------|------------------|------------------|-------------|
| June 2002 | | | | | | | | |
| Civilian Labor Force* | 3,111,200 | 456,800 | 283,000 | 29,800 | 49,700 | 45,500 | 7,800 | 41,000 |
| Employed | 2,952,500 | 441,400 | 275,400 | 28,300 | 47,200 | 43,600 | 7,300 | 39,600 |
| Unemployed | 158,800 | 15,400 | 7,600 | 1,510 | 2,500 | 1,930 | 490 | 1,390 |
| Unemployment Rate (%) | 5.1 | 3.4 | 2.7 | 5.1 | 5.1 | 4.2 | 6.3 | 3.4 |
| Change From May 2002 | | | | | | | | |
| Civilian Labor Force* | 72,000 | 13,300 | 5,500 | 1,170 | 1,520 | 1,610 | 270 | 3,300 |
| Employed | 51,200 | 11,100 | 4,100 | 1,010 | 1,240 | 1,380 | 260 | 3,100 |
| Unemployed | 20,800 | 2,200 | 1,330 | 160 | 290 | 230 | 10 | 200 |
| Unemployment Rate (%) | 0.6 | 0.4 | 0.5 | 0.4 | 0.4 | 0.3 | -0.1 | 0.2 |
| Change From June 2001 | | | | | | | | |
| Civilian Labor Force* | 58,500 | 9,400 | 6,500 | 560 | -420 | 1,250 | 120 | 1,350 |
| Employed | 46,400 | 7,500 | 4,600 | 420 | 140 | 1,040 | 110 | 1,190 |
| Unemployed | 12,100 | 1,860 | 1,900 | 150 | -570 | 200 | 20 | 160 |
| Unemployment Rate (%) | 0.3 | 0.4 | 0.7 | 0.4 | -1.1 | 0.3 | 0.1 | 0.3 |

* Includes people residing in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Numbers 2,000 and greater are rounded to nearest 100. Numbers under 2,000 are rounded to nearest 10. Sub-units may not add to totals due to rounding. Calculations are based on unrounded numbers, results are rounded.

Recently, accounting scandals and record federal budget deficits have pushed down the U.S. dollar. U.S. manufacturers have complained for years that the dollar's strength made their goods expensive in foreign markets and made foreign competitors' goods cheap domestically. Manufacturing employment estimates have not yet risen enough to suggest the beginning of an export-led manufacturing recovery.

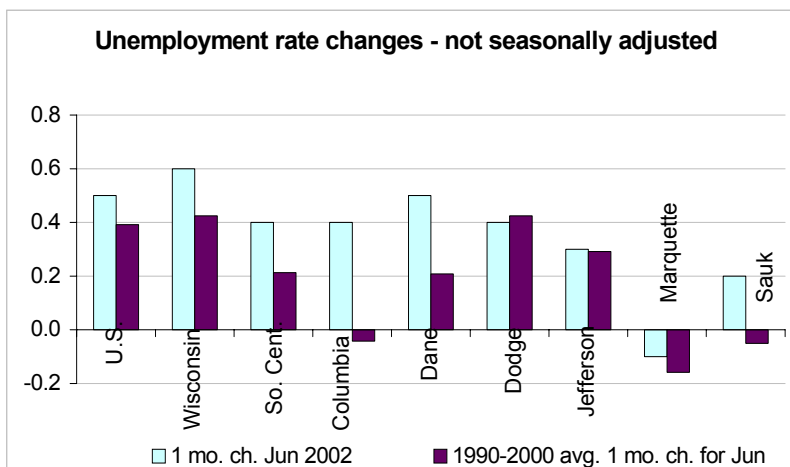
In the services sector, Dane County has seen month-to-month changes a bit more extreme than usual, but followed the general trend. Sauk County's services em-

ployment has stayed closer to its typical trend, where June is its biggest gain and September is its biggest loss,

roughly coinciding with students' vacations, agricultural cycles and peak tourism months.

June retail trade figures stuck to typical trends in most of the South Central region and spiked in Jefferson County. This record increase compensates for low increases in April and May. Shoppers waited out

the cool spring and hit stores when summer began in earnest. Plummeting stock prices have not yet dented day-to-day consumption.



Payroll employment estimates - not seasonally adjusted

| June 2002 Estimates | Wisconsin | South Central WI | Madison MSA | Columbia County | Dodge County | Jefferson County | Marquette County | Sauk County |
|-------------------------------------|-----------|------------------|-------------|-----------------|--------------|------------------|------------------|-------------|
| June 2002 | | | | | | | | |
| Total jobs, all industries** | 2,868,000 | 441,700 | 298,600 | 22,900 | 36,100 | 39,000 | 3,900 | 41,300 |
| Construction & Mining | 135,900 | 20,800 | 13,200 | 1,150 | 2,400 | 1,260 | 340 | 2,400 |
| Manufacturing | 570,300 | 68,400 | 30,200 | 5,900 | 12,200 | 11,600 | 1,180 | 7,400 |
| Transport & Public Util. | 132,500 | 15,200 | 10,500 | 680 | 1,350 | 1,500 | 80 | 1,100 |
| Wholesale Trade | 139,300 | 17,400 | 12,200 | 780 | 1,110 | 1,370 | 110 | 1,860 |
| Retail Trade | 511,100 | 77,300 | 50,200 | 4,700 | 5,100 | 7,900 | 720 | 8,700 |
| Finance, Ins. Real Estate | 153,700 | 27,500 | 24,100 | 430 | 820 | 850 | 120 | 1,190 |
| Services | 802,100 | 119,800 | 83,100 | 5,400 | 7,600 | 10,100 | 680 | 13,000 |
| Government | 423,000 | 95,300 | 75,100 | 4,000 | 5,500 | 4,400 | 670 | 5,600 |
| Change From May 2002 | | | | | | | | |
| Total jobs, all industries** | 25,800 | 8,900 | 3,000 | 890 | 810 | 1,080 | -20 | 3,200 |
| Construction & Mining | 6,700 | 1,230 | 750 | 70 | 120 | 70 | 30 | 190 |
| Manufacturing | 6,300 | 1,310 | 580 | 190 | 320 | 70 | -10 | 170 |
| Transport & Public Util. | -260 | -20 | -70 | 10 | 10 | 0 | 0 | 30 |
| Wholesale Trade | 1,230 | 150 | 60 | 20 | 0 | 30 | 0 | 50 |
| Retail Trade | 5,100 | 1,720 | 320 | 250 | -10 | 490 | 20 | 650 |
| Finance, Ins. Real Estate | 1,510 | 420 | 350 | 10 | 20 | 10 | 0 | 30 |
| Services | 10,100 | 4,100 | 1,480 | 330 | 240 | 180 | 30 | 1,860 |
| Government | -4,900 | 10 | -440 | 20 | 120 | 220 | -90 | 170 |
| Change From June 2001 | | | | | | | | |
| Total jobs, all industries** | -17,000 | 7,800 | 7,000 | 690 | -980 | -250 | -180 | 1,580 |
| Construction & Mining | -2,000 | -1,690 | -1,580 | 20 | 40 | -70 | -30 | -70 |
| Manufacturing | -55,800 | -4,000 | -1,650 | 330 | -1,560 | -1,330 | 0 | 220 |
| Transport & Public Util. | -950 | 320 | 570 | -120 | 50 | -190 | -10 | 10 |
| Wholesale Trade | -1,690 | -780 | -700 | -40 | -40 | -70 | 10 | 60 |
| Retail Trade | 7,400 | 2,300 | 1,590 | -130 | 70 | 280 | -50 | 510 |
| Finance, Ins. Real Estate | 4,100 | 2,100 | 1,950 | -20 | 0 | 60 | 10 | 70 |
| Services | 22,100 | 8,100 | 5,900 | 540 | 170 | 850 | 40 | 640 |
| Government | 9,800 | 1,540 | 930 | 120 | 290 | 230 | -150 | 130 |

**Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Numbers 2,000 and greater are rounded to nearest 100. **Includes employment with employers located in area. Estimates are NOT seasonally adjusted. Current month estimates are preliminary. Numbers 2,000 and greater are rounded to nearest 100.

Look for the most current Labor Market Information at: www.dwd.state.wi.us/lmi.

Direct questions and comments to: Dan Barroilhet, Labor Market Economist
Dane County Job Center, 1819 Aberg Avenue, Suite C, Madison, WI 53704
Telephone: (608) 242-4885; Email: dan.barroilhet@dwd.state.wi.us